

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

PRESTON EXPLORATION COMPANY, LP, <i>et al.</i> ,	§	
	§	
<i>Plaintiffs,</i>	§	
	§	
v.	§	CIVIL ACTION H-08-3341
	§	
GSP, LLC, <i>et al.</i> ,	§	
	§	
<i>Defendants.</i>	§	

FINAL JUDGMENT

In accordance with the Fifth Circuit’s opinion filed on February 1, 2012, the Fifth Circuit’s judgment filed on March 14, 2012, and this court’s amended memorandum and order filed this day, the court hereby **ENTERS JUDGMENT** in favor of plaintiffs Preston Exploration Company, L.P. PSA, PEC Partnership PSA, and T.S.C. Oil & Gas, Inc. and Frank Willis PSA (collectively “PEC”).

It is therefore **ORDERED, ADJUDGED, and DECREED** that defendants Chesapeake Energy Corporation and GSF, LLC (collectively “Chesapeake”) failed to perform the Purchase and Sale Agreements (“PSAs”) made the subject of this case and is liable to PEC for breach of contract. PEC is entitled to specific performance of the PSAs, excepting only Chesapeake’s obligation to purchase the leases that were listed in the PSA Exhibits but not identified by corresponding recording information in the Assignment Exhibits tendered to Chesapeake.

The excluded leases, referred to by Lease Id Numbers contained in the PSAs, are as follows:

- Beckv NBG 021-06
- Beckv TXU 019-06
- Beckv SBG 028-06
- Beckv SBG 030-01
- Beckv SBG 031-01

In all other respects, this court **ORDERS** specific performance of the PSAs. In particular, it is **ORDERED, ADJUDGED, and DECREED**

1. That on or before August 10, 2012, Chesapeake shall wire transfer the Remaining Purchase Price for the Preston Exploration Company, L.P. PSA equal to the sum of \$ 6,571,191.54 in immediately available United States funds into a bank account to be designated in writing by Preston Exploration Company, L.P.;

2. That upon written bank confirmation of the receipt and availability of the sum of \$ 6,571,191.54 from Chesapeake, Preston Exploration Company, L.P. shall deliver to Chesapeake the Assignment, Bill of Sale and Conveyance document executed by Preston Exploration Company, L.P.;

3. That on or before July 31, 2012, Chesapeake shall wire transfer the Remaining Purchase Price for the PEC Partnership PSA equal to the sum of \$ 88,528,402.54 in immediately available United States funds into a bank account to be designated in writing by PEC Partnership;

4. That upon written bank confirmation of the receipt and availability of the sum of \$ 88,528,402.54 from Chesapeake, PEC Partnership shall deliver to Chesapeake the Assignment, Bill of Sale, and Conveyance documents executed by PEC Partnership;

5. That on or before July 31, 2012, Chesapeake shall wire transfer the Remaining Purchase Price for the T.S.C. Oil & Gas, Inc. and Frank Willis, III PSA equal to the sum of \$ 5,713,494.43 in immediately available United States funds into a bank account to be designated in writing by T.S.C. Oil & Gas, Inc. and Frank Willis, III; and

6. That upon written bank confirmation of the receipt and availability of the sum of \$ 5,713,494.43 from Chesapeake, T.S.C. Oil & Gas, Inc. and Frank Willis III shall deliver to

Chesapeake the Assignment, Bill of Sale, and Conveyance documents executed by T.S.C. Oil & Gas, Inc. and Frank Willis III.

It is further **ORDERED, ADJUDGED, and DECREED** that plaintiffs have and recover from Chesapeake pre-judgment interest as follows:

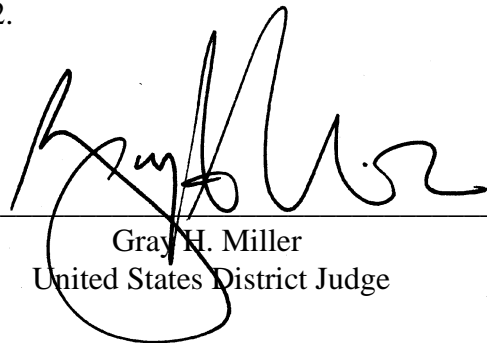
1. Preston Exploration Company, L.P.: \$ 1,212,519.71
2. PEC Partnership: \$ 16,335,309.42
3. T.S.C. Oil& Gas, Inc. and Frank Willis: \$ 1,054,257.10

It is further **ORDERED, ADJUDGED, and DECREED** that plaintiffs shall have and recover from Chesapeake post-judgment interest on all sums awarded or directed to be paid in this judgment pursuant to 28 U.S.C. § 1961 at a rate of 0.21%. Post-judgment interest is to be calculated daily and compounded annually from the date of this judgment until paid.

Pursuant to Federal Rule of Civil Procedure 54(d), the court **ORDERS** that plaintiffs shall recover attorneys' fees and costs in an amount to be determined at a later date.

This is a **FINAL JUDGMENT**.

Signed at Houston, Texas on July 19, 2012.



Gray H. Miller
United States District Judge